PLUS
BUSINESS
Midwest cablers roundup

- Nabisco's ESPN buy may bring fresh programming
- C&P telco seeks FCC OK to begin D.C. build
- Turner reveals Cable Music Channel format
- Studio head resignations shake up Hollywood

CableVision™

The news and features weekly of the cable television industry

September 24, 1984

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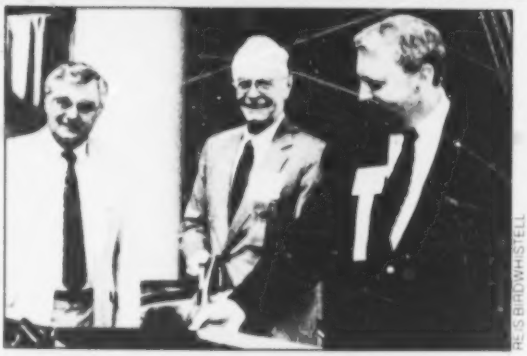
HOW CABLE PLAYS CHICAGO SUBURBS IN THE HEARTLAND



RE'S BIRDWHISTELL

Opening day at the recent Eastern Show held in Atlanta, Ga., included a ribbon-cutting ceremony. John Jerose (left), 1984 SCTA president, and Frank Hamilton (right), 1984 SCTA associates' director, look on as Lew Davenport (center), honorary convention chairman, does the honors. (See page 28 for story on Eastern Show activities.)

Leading the week.....13-20

Nabisco takes stock

Already a 50 percent owner in Ohlmeyer Communications, last week Nabisco became a 20 percent stockholder in Entertainment and Sports Programming Network. On the heels of the purchase agreement came an antitrust lawsuit against ESPN over the issue of college football contracts.

C&P wants FCC nod

The Chesapeake & Potomac Telephone Co. last week asked the Federal Communications Commission for permission to approve its plan to build Washington's long-delayed cable system. The telco plan is the third major request lodged by a local telephone company entering the cable construction business since the divestiture of AT&T.

Hollywood shake-up

Resignations emptied the executive suites at Disney, 20th Century-Fox, and Paramount. Repercussions include changes at many levels, but side-effects for the cable industry are uncertain.

SPN overhauls

Satellite Program Network will become a per-sub charging basic service next January, at the same time undertaking a major programming overhaul and switching satellites from Satcom IV to Satcom III-R.

NCTA revamps support

The board of directors of the National Cable Television Association agreed to reaffirm its support for cable legislation in this Congress, and in doing so, handed its lobbyists some degree of bargaining room away from the hard-line position it took at its previous meeting July 16.

CMC works out kinks

With a launch date a little more than a month away, Turner's Cable Music Channel is working out the kinks and preparing for the Oct. 26 premiere. Last week, CMC provided further elaboration on its format, with rumors that Paramount Pictures may be its first committed advertiser.

CBS is cable hungry

Don't count CBS out of the cable world just yet. Although the broadcasting giant was burned a few years ago by an unsuccessful attempt at the industry, it's gearing up for more ventures into the many facets of cable television.

Southern ops scramble

Southern cable operators took the lead earlier this month in a matter affecting cable systems nationwide, when they voted at the Eastern Show to urge all programmers to expedite plans to scramble their signals. They formed a committee to work with the programming services to achieve just that.

Detroit saga continues

Detroit City Council is still in a turmoil over Barden Cablevision's proposed scalebacks. Their ire has been turned on the city's Cable Communications Commission, which officials accuse of ignoring their questions and concerns.

Sections

Programming 26
While theatrical features are at the heart of HBO, research reveals that the non-theatrical Big Events are also important to subscribers. Reviewer Robert DiMatteo wipes away a tear for The Disney Channel's newest film.

Marketing/Advertising 28
Eastern Show attendees examined methods to increase penetration, revenues, and pay-to-basic ratios through customer service and marketing techniques. Also, ESPN, WTBS, and USA Network report ad sales for fall football coverage are going well.

Business & Finance 39
Associate Editor Louis Chunovic reports that Storer Cable is checking into the hotel cable market. Jeffrey Norman, Storer's director of commercial sales, sees a "multi-billion dollar business" in hotel wiring.

Government & Law 44
Ted Turner testified before the Senate Judiciary Committee last week, arguing in favor of broadcast ownership limits and against the FCC's move to increase the limit to 12 AM, 12 FM, and 12 VHF stations.

About the cover

Editor Victoria Gits found this idyllic, typical neighborhood in one of the Chicago suburbs she visited for this week's *Plus* article on wiring the heartland.

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CABLE STATS

Percent of Systems by Channel Capacity*

Number of Channels	Percent of Systems		Percent of Basic Subs	
	1983	1984	1983	1984
0 - 6	1.1%	0.9%	0.1%	0.1%
7 - 12	36.9	35.1	15.9	11.8
13 - 21	22.6	21.7	18.0	14.4
22 - 35	27.8	29.2	47.5	48.2
36 - 53	8.8	9.7	12.8	16.5
54 +	2.9	3.5	5.7	9.0

*As of May 31, 1984

Source: International Communications Research, Information Division (a subsidiary of International Thomson Business Press)

Percent of Systems by Subscriber Size*

Number of Subscribers	1983	1984
0 - 1,000	44.2%	44.3%
1,001 - 5,000	33.8	33.2
5,001 - 10,000	10.3	9.8
10,001 - 20,000	6.6	6.8
20,001 - 50,000	4.1	4.4
50,001 +	1.0	1.5

*As of May 31, 1984

Source: International Communications Research, Information Division (a subsidiary of International Thomson Business Press)

Franchising calendar

This chart examines the franchise status of communities since August 1984.

Arizona

Apache Junction—award to Dowden Communications 4/5/84 (6,837 homes).
Gilbert—award to Masada Corp. 8/14/84 (3,000 homes).

California

Avalon—award to Catalina Cable TV 4/3/84 (1,500 homes).
Chino—negotiating with Buena Vision (12,000 homes).
Claremont—Group W withdrew proposal (9,800 homes).
Commerce—proposals from Buena Vision and Falcon Communications (3,000 homes).
Costa Mesa—award to Copley-Colony Cablevision 3/5/84 (32,637 homes).
Duarte—lease agreement reached with KTS Corp. for operation of city-owned system 8/15/84 (7,100 homes)
East Yolo—proposals from Cablevision, Sonics, Yolo Communications, and Federal Communications Inc. (10,000 homes).
La Puente—negotiating with United Cable (8,600 homes).
Los Altos—negotiating wih United Cable TV (9,000 homes).
Palo Alto—negotiating with Cable Communications Co-op and City Cable Partners (22,000 homes).
Pico Rivera—award to Rogers California Cable System 4/2/84 (15,500 homes).
Placentia—award to Group W 2/7/84 (1,200 homes).
San Gabriel—award to Falcon Communications 3/20/84 (11,600 homes).
South Monrovia—proposals received from Falcon Communications and Acton Corp. (5,400 homes).
Sunnyvale—refranchising award to Sunnyvale Cable TV 2/14/84 (43,000 homes).
Yorba Linda—deadline extended for statements of interest (12,000 homes).

Illinois

Chicago—Area I negotiating with Communications and Cable (300,000 homes); Area II award to Group W (217,000 homes); Area III award to Group W (193,000 homes); Area IV to Chicago Cable Communications (TCI/Cross Country joint venture) (6,000 homes); Area V to Continental Cablevision (188,000 homes).
Countryside—award to Cablevision of Chicago 6/13/84 (2,200 homes).
Elmwood Park—awaiting analysis report from consultant for proposals from Multimedia, Continental, and Metrovision Inc. (9,500 homes).
Naperville—proposals from Joyce Cable and Rite Cable (17,500 homes).
St. Charles, Geneva—award to Centel 7/2/84 (10,000 homes).
Villa Park—award to Multimedia 3/19/84 (7,100 homes).
Wheaton—award to Centel 7/2/84 (16,000 homes).
Winnetka—research to determine sufficient interest to get cable.
Woodbridge—negotiating with Multimedia (260 homes).

Kentucky

Calloway County—award to Bluegrass 5/8/84.
Fulton—negotiating with TCI (2,400 homes).
Loretto—no response to RFP.

Massachusetts

Belchertown—no response to RFP.
Belmont—municipal ownership approved by general court, preparing proposal (2,760 homes).
Berkley, Dighton, Freetown—provisional license to Continental Cablevision.
Boxborough—awaiting amended applications from Nashoba and Adams-Russell (3,100 homes).
Cambridge—public referendum on municipal ownership passed, RFP issued 6/84 (43,000 homes).
East Bridgewater—reviewing proposals submitted by Campbell and Continental (2,500 homes).
Groton—reviewing proposals submitted by Nashoba, Northeast Cable TV, and United Cable (2,000 homes).
Hamilton and Wenham—award to Continental Cable 3/5/84 (2,300 homes).
Holden—award to Massachusetts Cablevision Systems Inc. 7/84 (4,000 homes).
Holliston—award to Massachusetts Cablevision Systems Inc. 7/84 (3,922 homes).
Lincoln—reviewing proposals from Adams-Russell, New Communications Corp., and Telecommunications Inc. (1,700 homes).
Marblehead—proposals received from Adams-Russell, Continental Cablevision, and Nashoba.
Mec[illegible]nviewing proposal submitted by Massachusetts Cablevision Systems [illegible]00).
Mendon—provisional license award to Massachusetts Cablevision Systems Inc. 8/84 (1,200 homes).
Middleborough—award to Continental Cablevision 5/14/84 (3,834 homes).
Nahant—reviewing proposal from Warner Amex (1,433 homes).
Norfolk—award to Massachusetts Cable 4/2/84 (1,890 homes).
Plympton—award to Campbell Communications 2/13/84 (650 homes).
Sandwich—proposal received from Campbell Communications (5,000 homes).
Seekonk—preliminary award to Massachusetts Cablevision (6,000 homes).
Shirley—reviewing amended proposals from United Cablevision and Nashoba (1,827 homes).
Southborough—provisional license to Greater Worcester.
Sterling—award to Wachusett Cablevision (2,000 homes).
Stow—provisional license to Adams-Russell 9/84 (1,600 homes).
Upton—award to Worster Cablevision Inc. 4/9/84 (1,600 homes).
Wayland—award to Continental Cablevision 6/4/84 (3,500 homes).
Westminster—preliminary award to Adams-Russell; Adams-Russell requested revision of rate structure.
Weston—award to Continental Cable Cooperative 8/6/84 (3,000 homes).
Westport—award to United Cablevision Funding 9/4/84 (5,500 homes).

Michigan

Homer Township—starting franchise process (800 homes).
Lake Orion, Orion Township—negotiating with Tribune United (7,800 homes).
West Broomfield, Keego Harbor, Orchard Lake, Sylva Lake—award to Continental Cablevision 5/21/84 (16,437 homes).
Westland—award to Continental Cablevision 2/84 (29,000 homes).

Minnesota

Adams, Taopi, Rose Creek—award to Dowden Communications 4/84 (480 homes).
Afton, Cottage Grove, St. Paul Park, Denmark, Grey Cloud, Newport, Woodbury (South Washington County Cable Commission)—award to Telephone and Data Systems 1/13/84 (637 homes).
Amboy—award to Mid Communications Inc. 7/84 (280 homes).
Avon—award to WesTel Inc. 2/84 (280 homes).
Barrett—award to Battlelake Cable 7/84 (165 homes).
Belle Plaine—award to Dowden Communications Inc. 8/84 (975 homes).
Big Lake, Buffalo, Cokato, Dassel, Delano, Elk River, Monticello, Rockford, Watertown, Maple Lake—negotiating with Rite Cable 7/18/84 (10,200 homes).
Boyd—municipal ownership approved 1/84 (140 homes).
Cannon Falls—negotiating with Communications Systems Inc. (1,060 homes).
Chanhassen, Carver County, and Hennepin County—award to Dowden Communications 1/5/84.
Claremont—award to WesTel Inc. 2/84 (225 homes).
Eden Valley and Watkins—award to WesTel Inc. 2/84 (640 homes).

CABLE STATS

Ellendale, Geneva—award to WesTel Inc. 3/84 (380 homes).
Elizabeth—award to M & E Cable TV 1/84 (90 homes).
Floodwood—award to Individual Satellite System Inc. 8/84 (325 homes).
Glenville—award to WesTel 6/84 (275 homes).
Good Thunder—award to Mid Communications Inc. 7/84 (225 homes).
Grand Meadow—award to Southern Cablevision Inc. 9/84 (360 homes).
Hill City—negotiating with Individual Satellite Systems (260 homes).
Hinckley—award to Savage Communications 7/84 (420 homes).
Hokah—award to Valley Video Systems Inc. 7/84 (270 homes).
Holdingford—award to WesTel Inc. 2/84 (245 homes).
Howard Lake—award to WesTel Inc. 8/84 (510 homes).
Kerkhoven—award to Heritage Communications 7/84 (310 homes).
Kimball—award to WesTel Inc. 5/84 (250 homes).
LeCenter—award to WesTel Inc. 4/84 (825 homes).
Lester Prairie, Winsted—award to Dowden Communications 7/84 (1,000 homes).
Lindstrom, Stacy—negotiating with Dowden Communications (1,230 homes).
Mabel—award to Valley Video Systems Inc. 6/84 (325 homes).
Maple Plain—negotiating with Dowden Communications (480 homes).
Mapleton—award to WesTel Inc. 8/84 (600 homes).
Mazeppa—award to Individual Satellite Systems 9/84 (280 homes).
Medford—award to WesTel Inc. 7/84 (300 homes).
Montrose—award transferred to Valley View 8/84 (300 homes).
Morristown—award to Cannon Valley Telecom Inc. 7/84 (250 homes).
Morton—award to Todd Communications Inc. 5/84 (225 homes).
Murdock—award to Cavanaugh Cable Co. 6/84 (140 homes).
New Prague—award to Valley View Cable Inc. 7/84 (1,130 homes).
Nisswa—award to Interlake Cablevision Inc. 5/84 (1,100 homes).
Northern Dakota City—preliminary award to Continental (25,000 homes).
Norwood, Young America, Hamburg—award to WesTel Inc. 5/84 (1,100 homes).
Onamia—award to WesTel Inc. 5/84 (300 homes).
Oslo—award to Oslo Cable 4/84 (170 homes).
Pierz—award to WesTel Inc. 8/84 (420 homes).
Renville—award to WesTel Inc. 7/84 (600 homes).
Rite—award to Benton Cooperative Telephone Co. 8/84 (165 homes).
Royalton—award to WesTel Inc. 4/84 (270 homes).
Sacred Heart—award to WesTel Inc. 4/84 (300 homes).
St. Joseph—award to WesTel Inc. (1,100 homes).
St. Paul—award to Continental appealed before Minnesota Supreme Court (111,000 homes).
Sandstone—award to Savage Communications 9/84 (560 homes).
Savage—drafting RFP (272 homes).
Shelly—award to Ada Cable Association 4/84 (130 homes).
Sherburn—award to Rite Cable (10,200 homes).
Spring Grove—award to Valley Video Systems 8/84 (560 homes).
TriCity Cable Commission (Cold Springs, Richmond, Rockville)—award to WesTel Inc. 8/84 (1,200 homes).
Truman—award to Terril Telephone Co. 5/84 (550 homes).
Waconia—proposals from Rite Cable Co., Dow-Sat Inc., Valley View, WesTel Inc. (1,024 homes).
Waterville, Elysian—award to WesTel Inc. 8/84 (750 homes).
Waubeen—award to Harold Investments Inc. 9/84 (150 homes).
Wendell—award to M & E Cable 4/84 (95 homes).
West St. Paul, South St. Paul, Mendota Heights, Mendota, Inner Grove Heights, Lilydale, Sinfish Lake—preliminary award to Continental Cablevision 6/6/84 (24,032 homes).
Windom—plans municipal ownership (1,875 homes).

Missouri

St. Louis—award to STL Cablevision Partners Inc. (75% of city) and St. Louis City Communications (25% of city) 4/11/84 (178,000 homes).

New Jersey

Jersey City—administrative hearing to be held 9/84 regarding franchise process.
Patterson—plans municipal ownership; waiting for city council approval; RFP issued (55,000 homes).

New York

Beekman—award to Dutchess County Cablevision Assoc. 3/13/84 (2,100 homes).
Mt. Upton—NewChannels denied award; future uncertain.
North Salem—proposal from Community Cable Services (1,100 homes).
Norwich—NewChannels withdrew application; exploring other alternatives (100 homes).
Portland—ended negotiations with Tribune Cable and again accepting proposals (150 homes).
Union Vale—award to Consolidated Communications Corp. 3/7/84 (775 homes).

North Carolina

Camden County—award to Cable East 5/7/84.
Davie County—award to Summit Cable.
Jackson—award to Cable East (400 homes).

Ohio

Avon—award to Space Cable of Ohio 4/23/84 (2,000 homes).
Brooklyn—municipal ownership under consideration (4,000 homes).
Cleveland—municipal ownership under consideration.
Lordstown—cable issue dropped after feasibility study.
Oberlin—preliminary award to Oberlin Cable Co-op (2,600 homes).

Oregon

Amity—award to Eagle Cable Systems Inc. 1/9/84 (800 homes).
Dunthorpe—TCI withdrew proposal 6/20/84; reissued RFP (507 homes).
Sylvan—TCI withdrew proposal 6/20/84; reissued RFP for bids due no later than 10/10/84.

Pennsylvania

Philadelphia—city is divided into four areas; Area I, proposals from Greater Philadelphia Cablevision and Independent Cable of Philadelphia; Area II, proposals from Philadelphia Inner City Cable System and Wade Communications; Area III, proposals from Cablevision of Philadelphia and Rollins (each area: 155,000 homes).

Rhode Island

Battleground—negotiating with Cox Cable (1,000 homes).
Newport (Area 7 includes Middletown, Portsmouth, Tiverton, Little Compton)—reviewing proposals (29,500 homes).

Texas

Azle—award to Teltran 4/3/84 (2,200 homes).

Virginia

Berryville/Clarke County—award to Berryville TV Cable Co. 4/17/84 (600 homes).
Manassas—considering municipal ownership of cable (5,510 homes).
Suffolk—award to Suffolk Cable Communicaions 2/1/84 (16,697 homes).

Washington

Battle Ground—negotiating with Cox Cable (1,000 homes).

Wisconsin

Hayward—award to Cable TV of Hayward (1,000 homes).
New Glarus—award to Telephone and Data Systems 7/17/84 (675 homes).
Waterford—award to Total TV 9/84 (600 homes).

Wyoming

Gillette—franchise renewal granted to Televents 4/18/84 (7,500 homes).

Source: Titsch Communications Inc.

Franchising in the top 50 markets

Rank	Market	Status of core city
1	New York	Manhattan—2-OP, outer boroughs 8-FG
2	Los Angeles	City is divided into 14 areas (4-in) 10-OP, 2-UC, 2-FG
3	Chicago	City is divided into five areas: Area I-FP, Areas II, III, IV, V-FG
4	Philadelphia	City is divided into N, S, E, W-FP, additional area in S-OP
5	San Francisco	OP (system to be upgraded)
6	Boston	OP
7	Detroit	FG
8	Washington, D.C.	FG
9	Cleveland	BP
10	Dallas/Ft. Worth	Two systems-OP
11	Houston	Two systems-OP
12	Pittsburgh	OP
13	Miami	OP
14	Seattle/Tacoma	City is divided into five parts (4-OP) (1-BP). Tacoma-OP
15	Minneapolis/St. Paul	OP/FG
16	Atlanta	OP
17	St. Louis	FG
18	Tampa/St. Petersburg	UC/OP
19	Denver	OP
20	Baltimore	FP
21	Sacramento/Stockton	FG/OP
22	Indianapolis	Two systems-OP
23	Portland	Three systems-OP
24	Phoenix	Three systems-OP
25	Hartford/New Haven	Two systems-OP
26	Cincinnati	OP
27	San Diego	Two systems-OP
28	Kansas City	OP
29	Milwaukee	UC
30	Nashville	OP
31	Charlotte	OP
32	Buffalo	OP
33	Providence/New Bedford	OP/OP
34	Orlando/Daytona Beach	Two systems-OP
35	New Orleans	OP
36	Memphis	OP
37	Columbus	Four systems-OP
38	Greenville/Asheville/Spartansburg	Three systems-OP
39	Grand Rapids/Kalamazoo/Battle Creek	Three systems-OP
40	Birmingham	OP
41	Raleigh/Durham	Two systems-OP
42	Oklahoma City	Two systems-OP
43	Louisville	Two systems-OP
44	Salt Lake City	OP
45	San Antonio	OP
46	Charleston/Huntington	Two systems-OP
47	Norfolk/Newport News/New Hampton/Portsmouth	Four systems-OP
48	Harrisburg/York/Lebanon/Lancaster	Four systems-OP
49	Wilkes Barre/Scranton	Two systems-OP
50	Albany/Schenectady/Troy	Three systems-OP

Legend
OP—operational
UC—under construction
FG—preliminary franchise award
FP—franchise pending
RP—request for proposal issued
BP—beginning process

Source: Titsch Communications Inc.